

SENATE BILL No. 274

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-1-6.5.

Synopsis: Annual customer reports by energy utilities. Requires a public or municipally owned electric or natural gas utility to annually report to the Indiana utility regulatory commission (IURC) certain data concerning customer accounts and low income customer accounts. Provides that: (1) a utility shall report all required information in the aggregate and in a manner that does not identify individual customers and low income customers; and (2) the IURC may not require utilities to disclose confidential and proprietary business information without adequate protection of the information. Authorizes the IURC to adopt rules and emergency rules to implement these provisions. Provides that, beginning in 2017, the IURC shall annually compile and summarize the information received from utilities for the most recent reporting period and include the IURC's summary of the information in the IURC's annual report to the interim study committee on energy, utilities, and telecommunications.

Effective: Upon passage.

Breaux

January 7, 2016, read first time and referred to Committee on Utilities.



Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

SENATE BILL No. 274

A BILL FOR AN ACT to amend the Indiana Code concerning utilities.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 8-1-6.5 IS ADDED TO THE INDIANA CODE AS
- 2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
- 3 PASSAGE]:
- 4 **Chapter 6.5. Annual Residential Customer Reports by Electric**
- 5 **and Natural Gas Utilities**
- 6 **Sec. 1. As used in this chapter, "budget billing arrangement"**
- 7 **means a levelized payment arrangement that:**
- 8 **(1) is entered into by a utility and:**
- 9 **(A) a customer; or**
- 10 **(B) a low income customer;**
- 11 **of the utility;**
- 12 **(2) allows the customer or low income customer to pay for**
- 13 **utility service in equal monthly installments; and**
- 14 **(3) involves a reconciliation mechanism in which:**
- 15 **(A) the amount of utility service actually used by the**
- 16 **customer or low income customer during a specified period**
- 17 **is compared with the amount of utility service for which**



the customer or low income customer was billed under the arrangement during the specified period; and

(B) the account of the customer or low income customer is either billed or credited, as appropriate, for any discrepancy identified under clause (A).

Sec. 2. As used in this chapter, "customer" means a person who:

(1) has agreed to pay for residential utility service received from a utility; and

(2) is not a low income customer.

Sec. 3. As used in this chapter, "low income customer" means a person who:

(1) has agreed to pay for residential utility service received from a utility; and

(2) either:

(A) is eligible for and has applied for assistance from a heating assistance program administered under IC 4-4-33; or

(B) otherwise qualifies as a low income customer under rules adopted by the commission under section 9 of this chapter.

Sec. 4. As used in this chapter, "payment plan" means a payment arrangement that:

(1) is entered into by a utility and:

(A) a customer; or

(B) a low income customer;

of the utility; and

(2) allows the customer or low income customer to:

(A) pay current or past due amounts for utility service in lower amounts or over an extended period of time, or according to another agreed upon schedule;

(B) defer the payment of current or past due amounts for utility service to some future date; or

(C) receive a forbearance with respect to the payment of certain amounts owed.

Sec. 5. As used in this chapter, "protected account" means an account that:

(1) is for utility service that:

(A) is provided to a:

(i) customer; or

(ii) low income customer;

who is vulnerable because of advanced age, serious illness, or disability; and



- (B) is not subject to termination or disconnection for nonpayment or for which termination or disconnection for nonpayment is restricted during specified periods; or
- (2) otherwise qualifies as a protected account under rules adopted by the commission under section 9 of this chapter.

Sec. 6. As used in this chapter, "utility" means a:

- (1) public utility; or
- (2) municipally owned utility;

that provides utility service to customers and low income customers in Indiana and that is under the jurisdiction of the commission for the approval of rates and charges.

Sec. 7. As used in this chapter, "utility service" means retail:

- (1) electric; or
- (2) natural gas;

service.

Sec. 8. (a) A utility shall submit to the commission an annual report on the utility service provided by the utility to customers (other than low income customers) during the period covered by the report. The report required by this subsection shall be submitted to the commission at a time and in the manner and form prescribed by the commission in rules adopted under section 9 of this chapter. The report must include the following information with respect to customers (other than low income customers) for the period covered by the report:

- (1) The total number of open customer accounts.
- (2) The total amount billed by the utility for all open customer accounts.
- (3) The total gross receipts received by the utility for all open customer accounts.
- (4) The total number of open protected accounts for customers.
- (5) The total number of open customer accounts that were delinquent for at least sixty (60) days and not more than ninety (90) days.
- (6) The total dollar amount owed with respect to the accounts identified under subdivision (5).
- (7) The total number of open customer accounts that were delinquent for more than ninety (90) days.
- (8) The total dollar amount owed with respect to the accounts identified under subdivision (7).
- (9) The total number of customer accounts referred for collection to an attorney or a collection agency.



(10) The total number of new payment plans entered into between the utility and customers of the utility.

(11) The total number of new budget billing arrangements entered into between the utility and customers of the utility.

(12) The total number of customer accounts sent a notice of disconnection for nonpayment.

(13) The total number of service disconnections performed for nonpayment.

(14) The total number of service restorations after disconnection for nonpayment.

(15) The average duration of service disconnection for customer accounts identified under subdivision (14).

(16) The total number of customer accounts written off as uncollectible.

(17) The total dollar value of customer accounts identified under subdivision (16).

(18) The total dollar value of recovered bad debt with respect to customer accounts.

(19) Any other relevant information concerning customer accounts that the commission:

(A) considers appropriate in evaluating:

(i) the payment history of customers; and

(ii) the practices of utilities with respect to customers; and

(B) requires under rules adopted under section 9 of this chapter.

(b) A utility shall submit to the commission an annual report on the utility service provided by the utility to low income customers during the period covered by the report. The report required by this subsection shall be submitted to the commission at a time and in the manner and form prescribed by the commission in rules adopted under section 9 of this chapter. The report must include the following information with respect to low income customers for the period covered by the report:

(1) The total number of open low income customer accounts.

(2) The total amount billed by the utility for all open low income customer accounts.

(3) The total gross receipts received by the utility for all open low income customer accounts.

(4) Of the total amount of gross receipts reported under subdivision (3), the total amount that was paid through a heating assistance program administered under IC 4-4-33.



(5) The total number of low income customers who received assistance from a heating assistance program administered under IC 4-4-33.

(6) The total number of open protected accounts for low income customers.

(7) The total number of open low income customer accounts that were delinquent for at least sixty (60) days and not more than ninety (90) days.

(8) The total dollar amount owed with respect to the accounts identified under subdivision (7).

(9) The total number of open low income customer accounts that were delinquent for more than ninety (90) days.

(10) The total dollar amount owed with respect to the accounts identified under subdivision (9).

(11) The total number of low income customer accounts referred for collection to an attorney or a collection agency.

(12) The total number of new payment plans entered into between the utility and low income customers of the utility.

(13) The total number of new budget billing arrangements entered into between the utility and low income customers of the utility.

(14) The total number of low income customer accounts sent a notice of disconnection for nonpayment.

(15) The total number of service disconnections performed for nonpayment.

(16) The total number of service restorations after disconnection for nonpayment.

(17) The average duration of service disconnection for low income customer accounts identified under subdivision (16).

(18) The total number of low income customer accounts written off as uncollectible.

(19) The total dollar value of low income customer accounts identified under subdivision (18).

(20) The total dollar value of recovered bad debt with respect to low income customer accounts.

(21) Any other relevant information concerning low income customer accounts that the commission:

(A) considers appropriate in evaluating:

(i) the payment history of low income customers; and

(ii) the practices of utilities with respect to low income customers; and

(B) requires under rules adopted under section 9 of this



1 chapter.

2 (c) A utility may report the information and data required
3 under subsections (a) and (b) at the same time and on the same
4 form, if so prescribed by the commission in rules adopted under
5 section 9 of this chapter.

6 (d) A utility shall report all information and data required
7 under subsections (a) and (b) in the aggregate and in a manner that
8 does not identify individual customers and low income customers
9 of the utility.

10 (e) This section does not empower the commission to require
11 utilities to disclose confidential and proprietary business
12 information without adequate protection of the information. The
13 commission shall exercise all necessary caution to avoid disclosure
14 of any confidential information supplied by utilities under this
15 section.

16 Sec. 9. (a) The authority may adopt rules under IC 4-22-2,
17 including emergency rules adopted in the manner provided by
18 IC 4-22-2-37.1, to implement this chapter. Rules or emergency
19 rules adopted by the commission under this section must take effect
20 not later than January 1, 2017.

21 (b) Notwithstanding IC 4-22-2-37.1(g), an emergency rule
22 adopted by the commission in the manner provided by
23 IC 4-22-2-37.1 to implement this chapter expires on the date a rule
24 that supersedes the emergency rule is adopted by the commission
25 under IC 4-22-2-24 through IC 4-22-2-36.

26 Sec. 10. Beginning in 2017, the commission shall annually
27 compile and summarize the information received from utilities
28 under section 8 of this chapter for the most recent reporting period
29 and include the commission's summary of the information in the
30 commission's annual report to the interim study committee on
31 energy, utilities, and telecommunications under IC 8-1-2.5-9.

32 SECTION 2. An emergency is declared for this act.

